



Claire McCaskill

Missouri State Auditor

December 2005

AGRICULTURE

Missouri State Fair



Office Of
Missouri State Auditor
Claire McCaskill

December 2005

The following findings were noted as a result of an audit conducted by our office of the Missouri State Fair.

The Missouri State Fair (MSF) has established a checking account outside the state treasury without authority. According to MSF officials, this account is necessary because final settlement payments are made from this account immediately after the respective performance, event, or close of the fair. This account is also used to pay performers, with a guaranteed contract in the event of a rainout. However, this account is used year round and a balance of at least \$600,000 has been maintained in the account since the 2001 fair.

The balance of this account consists of profits and sales taxes from fairweek events and other events held throughout the year and interest earned on this account that were not always transferred to the State Fair Fees Fund, an account within the state treasury as required by state law.

Some state monies were deposited into the Missouri State Fair Foundation's (Foundation) accounts contrary to state law. For fiscal year 2004, deposits into the Foundation Account included approximately \$75,500 from a portion of 2003 MSF sales of camping permits, VIP parking permits, bottled water, and unlimited ride wristbands, as well as 10 percent of sales from the ham auction. The Foundation, which is a not-for-profit corporation, has two additional accounts – the Agricultural Youth Account and the Foundation-Sheep Account. The Agriculture Youth Account is used for youth agriculture scholarships and the Foundation-Sheep Account is to be used for improvements to the sheep pavilion. Deposits into the Agricultural Youth Account during fiscal year 2004 included \$82,300 from the 2003 MSF Sales of Champions. Also, expenses related to the sheep pavilion in fiscal year 2004 of approximately \$4,600 and \$3,300 were paid out of the State Fair Fees Fund and the Facilities Maintenance Reserve Fund, respectively, when the Foundation-Sheep Account had sufficient funds available. No disbursements have ever been made from the Foundation-Sheep Account.

The MSF uses their resources to maintain the records for the Foundation's accounts without a documented agreement. Additionally, the administrative support provided by MSF personnel on these accounts is not documented. The MSF allows the Foundation Director to work out of the Women's Museum and provides the utilities for the building. These expenses are not reimbursed accordingly by the Foundation as allowed for in their bylaws.

The MSF collected public camping revenues of approximately \$201,000, \$196,000, and \$168,000 for the years ended June 30, 2004, 2003, and 2002, respectively. The Business Office receives a daily receipt summary of campground receipts and copies of the permits issued for both the entrance and exit gates, as well as a numerical listing of permits issued

(over)

YELLOW SHEET

at the entrance gate. However, the numerical listing of permits issued at the campground entrance gate does not list voided permits. Also the voided permits are not turned over to the Business Office with the daily receipts. As a result, the office cannot account for the numerical sequence to ensure all permits can be accounted for and all potential receipts have been turned over.

Admission tickets sold by certain retail businesses during the 2004 fair, totaling approximately \$18,600, were not reported to the MSF as required in their contract. As a result, the MSF cannot be sure they received all the revenues from these ticket sales.

Unused 2004 campground permits were destroyed after the fair. Some unused admission tickets and unused parking permits could not be found after the 2003 fair. No documentation was maintained to account for the campground permits destroyed or the missing admission tickets and parking permits.

Revenue Office collections are not deposited intact and the monies kept on hand for a cash fund are not maintained at a constant amount. During the 2004 fair, the Revenue Office collected approximately \$940,000.

The MSF makes cash disbursements to various fair vendors and does not maintain adequate documentation of these disbursements.

Also included in the report are recommendations related to entry fees and premiums, and tram services.

All reports are available on our website: www.auditor.mo.gov

MISSOURI STATE FAIR

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STATE AUDITOR'S REPORT



CLAIRE C. McCASKILL
Missouri State Auditor

Honorable Matt Blunt, Governor
and
Missouri State Fair Commission
and
Mel Willard, Director
Missouri State Fair
Sedalia, MO 65301

We have audited the Missouri State Fair. The scope of this audit included, but was not necessarily limited to, the years ended June 30, 2004, 2003, and 2002, and the 2004, 2003, 2002, and 2001 fairs. The objectives of this audit were to:

1. Review internal controls over significant management and financial functions.
2. Review compliance with certain legal provisions.
3. Evaluate the economy and efficiency of certain management practices and operations.

Our methodology to accomplish these objectives included reviewing minutes of meetings, written policies, financial records, and other pertinent documents; interviewing various personnel of the state fair, as well as certain external parties; and testing selected transactions. We also performed site visits and various procedures during fair week of the 2004, 2003, 2002, and 2001 fairs.

In addition, we obtained an understanding of internal controls significant to the audit objectives and considered whether specific controls have been properly designed and placed in operation. However, providing an opinion on internal controls was not an objective of our audit and accordingly, we do not express such an opinion.

We also obtained an understanding of legal provisions significant to the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of contract, grant agreement, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting significant instances of noncompliance with the provisions. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion.

Our audit was conducted in accordance with applicable standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and included such procedures as we considered necessary in the circumstances.

The accompanying History, Organization, and Statistical Information is presented for informational purposes. This information was obtained from the state fair's management and was not subjected to the procedures applied in the audit of the state fair.

The accompanying Management Advisory Report presents our findings arising from our audit of the Missouri State Fair.



Claire McCaskill
State Auditor

May 19, 2005 (fieldwork completion date)

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MANAGEMENT ADVISORY REPORT -
STATE AUDITOR'S FINDINGS

MISSOURI STATE FAIR
MANAGEMENT ADVISORY REPORT -
STATE AUDITOR'S FINDINGS

1. Grandstand and Foundation Bank Accounts

The Missouri State Fair (MSF) has established a checking account outside the state treasury. The MSF Grandstand Account was established several years ago to make payments to entertainers, the carnival operator, and other event organizers contracted with to perform at the annual fair. The Missouri State Fair Foundation (Foundation), a not-for-profit corporation, was established in 1998 with the stated purpose of preserving, improving, and perpetuating the rich heritage of the MSF for future generations. The Foundation has established three additional checking accounts that receive funds related to fair activities. Our review of these bank accounts disclosed the following concerns:

- A. The MSF has no authority to open the Grandstand Account outside the state treasury. According to MSF officials, this account is necessary because final settlement payments are made from this account immediately after the respective performance, event, or close of the fair. This account is also used to pay performers, with a guaranteed contract, in the event of a rainout. However, this account is used year round and a balance of at least \$600,000 has been maintained in the account since the 2001 fair. The balance of this account consists of profits and sales taxes from fairweek events and other events held throughout the year that were not always transferred to the State Fair Fees Fund, an account within the state treasury. Interest earned on this account has also not always been transferred to the State Fair Fees Fund. By maintaining program funds outside the state treasury, the MSF increases the risk that state monies may be misused.

Article IV, Section 15, of the Missouri Constitution and Section 30.170, RSMo, require the state treasurer to be the custodian of all state funds and to receive and disburse such funds. As a result, any state monies being maintained by the MSF and the Foundation should be turned over to the State Treasurer's Office (STO). If the MSF believes it is necessary to maintain these monies outside the state treasury, legislative authority should be sought.

- B. Some of the monies deposited into the Foundation's accounts appear to be state funds. In addition, our review of deposits noted that some of the checks received and deposited into the Foundation's accounts were actually made payable to the MSF.

For fiscal year 2004, deposits into the Foundation Account included approximately \$75,500 from a portion of 2003 MSF sales of camping permits, VIP parking permits, bottled water, and unlimited ride wristbands, as well as 10 percent of sales from the ham auction. Deposits into the Agricultural Youth Account, another foundation account, during fiscal year 2004 included

approximately \$82,300 from the 2003 MSF Sale of Champions. The Foundation – Sheep Account earned interest of \$120 during fiscal year 2004 on its balance of approximately \$23,800 which came from a portion of revenue collected on MSF sheep entries.

While the Foundation Account is used for the Foundation's stated purpose as noted above, the Agricultural Youth Account is used for youth agriculture scholarships and the Foundation – Sheep Account is to be used for improvements to the sheep pavilion. Maintaining all these accounts increases the likelihood for errors to be made when deciding which account to deposit monies into, which account to pay expenses out of, and/or which account to transfer funds into. As a result, our review of these accounts noted the following concerns:

- During the 2003 fair, all expenses related to bottled water purchases were paid out of the State Fair Fees Fund; however, a portion of the sales was deposited into the Foundation Account. Then, during the 2004 fair these expenses were paid out of the Foundation Account. Expenses should have been charged to the appropriate account based on the usage by the MSF and the Foundation.
- All ham auction proceeds from the fair are initially deposited into the MSF's Grandstand Account, and then 10 percent of the proceeds is transferred to the Foundation Account. However, \$7,600 related to the 2004 MSF ham auction was incorrectly transferred from the Grandstand Account to the Foundation Account. Included in this amount was \$4,600 in ham auction sales not yet billed and a duplicate transfer of \$3,000. This error has subsequently been corrected.
- Receipts deposited on October 31, 2003, and August 21, 2004, into the Agricultural Youth Account included checks totaling \$11,050 made payable to the MSF, not the Foundation.
- Expenses related to the sheep pavilion in fiscal year 2004 of approximately \$4,600 and \$3,300 were paid out of the State Fair Fees Fund and the Facilities Maintenance Reserve Fund, respectively, when the Foundation – Sheep Account had sufficient funds available. No disbursements have ever been made from the Foundation – Sheep Account.

Also, commingling state funds with the Foundation's funds allows for the possibility of the Foundation to use public funds for corporate expenses. For example, during our review we noted that the Foundation incurred payroll and equipment expenses totaling \$7,200 and \$3,800, respectively, for the year ended June 30, 2004. Because these funds are commingled in the Foundation Account, we were not able to determine if state funds or donations were used to pay for these expenses of the nonprofit corporation.

Finally, the state monies deposited into the Foundation Account may not be adequately insured, collateralized, or held in manner to minimize risk of loss. Discussions with the depository bank indicated that no collateral securities are pledged for this account to cover balances exceeding the \$100,000 Federal Deposit Insurance Corporation (FDIC) coverage. However, balances routinely exceed the \$100,000 FDIC maximum after additional fairweek revenues had been deposited into this account in August of each year. Inadequate collateral securities may leave state fair funds unsecured and subject to loss in the event of a bank failure.

Section 262.260, RSMo, indicates that in addition to admission fees and sale of privileges, the State Fair Fees Fund ". . . may also receive gifts, grants, contributions, appropriations and funds or benefits from any other source or sources. The money in the State Fair Fees Fund may be used in improving and beautifying the grounds, paying premiums and defraying expenses of the state fair, including officers' salaries, the hire of assistants, expense and equipment, capital improvements and maintenance and repair." Although monies deposited to the Foundation's accounts may have been spent for the benefit of the MSF, it is the State Treasurer that should have received the receipts identified above, not a nonprofit corporation.

- C. The MSF uses their resources (personnel, office space, equipment, and supplies) to maintain the records for the Foundation's accounts without a documented agreement. Operational expenses of various programs conducted by the Foundation, such as the Sale of Champions, may also be paid for by the MSF (ie. postage). In addition, the administrative support provided by MSF personnel on these accounts is not documented. Finally, the MSF allows the Foundation Director to work out of the Women's Museum and provides the utilities for the building. These expenses are not reimbursed by the Foundation as allowed for in their bylaws. Without an operational agreement or adequately documented time worked, the MSF has no assurance that state resources are used effectively for state authorized purposes, or that contributions from state resources and compensation from the Foundation are proportionate.
- D. The MSF does not have a formal written depository contract with the bank where the Grandstand Account is maintained. A depository contract should be prepared to formally establish this banking agreement and to clarify the services to be received. The contract provisions might include, but not be limited to, costs of the checking accounts, types of accounts available, interest to be paid, and the pledging of sufficient and acceptable collateral securities.

Depository agreements help ensure banking services provided are adequately documented and also ensure any monies over which the MSF is responsible are adequately protected.

WE RECOMMEND the MSF:

- A&B. Review the monies currently being held by the MSF and the Foundation outside the state treasury and take action to turn any state monies over to the STO, unless legislative authority is obtained allowing these monies to be maintained outside the state treasury. In addition, the MSF should establish controls and procedures to ensure all future receipts intended for the MSF are deposited to the State Fair Fees Fund, as required by state law.
- C. Develop an operational agreement with the Foundation establishing each party's contribution and/or compensation.
- D. Enter into a written depositary agreement with the bank where the MSF account is maintained.

AUDITEE'S RESPONSE

- A. *The MSF maintains a Grandstand Escrow Checking Account. The MSF Grandstand Escrow Account is used to meet contractual obligations of entertainer's grandstand and carnival contracts during the annual state fair. Also, it is used to settle off season events that must be settled the day of the event.*

The MSF also transfers monies from the escrow account to the State Fair Fees Fund throughout the year to reimburse the Fee Fund account for expenditures covering the marketing contract, carnival contract, backstage operation and grandstand expenditures.

It is critical that the MSF be allowed to carry over all funds from one fiscal year to the next in its escrow account. There is no way to reasonably predict how much money should be maintained since grandstand show attendance depends heavily on the weather. In the event that one or more concerts are rained out, the fair could have financial obligations in excess of the money collected through ticket sales. The fair would be responsible for refunding all tickets sold as well as paying the entertainer's guarantee. The average guarantee can range from \$100,000 to \$300,000. With one or more rainouts, the State Fair could be liable for commitments ranging from \$100,000 to \$1,000,000.

The MSF has reviewed the monies currently held by the MSF in the Grandstand Escrow Account and had made some of the necessary transfers over to the State Treasurer's Office. The MSF will continue to review monies held in the Grandstand Escrow Account to make future transfers. The MSF will also pursue legislative authority for the Grandstand Escrow Account.

- B. *The Missouri State Fair Foundation was incorporated as a nonprofit corporation with 501(c)3 status in December, 1999. Contribution deductions are allowable to donors to the Foundation and the Agricultural Youth Fund.*

The State Fair Commission voted and agreed to raise the camping fees at the Fair Commission meeting held on January 24, 2002. Part of the motion was that one of the additional dollars raised from the fees would be earmarked to go to the Foundation Account. It was also decided by the State Fair Commission to earmark one dollar of each unlimited ride wristband purchase price for the Foundation. This was included in the carnival contract which was approved by the Commission on January 30, 2003. In addition, the Foundation took over all water operations, expenses and revenues as of the 2005 State Fair.

The Agricultural Youth Fund is made up of donated money intended to support the Sale of Champions and scholarships. The MSF does not consider these state monies. These monies are solicited by the Youth in Ag Committee members and livestock exhibitors. Contributors are asked to make checks payable to the Youth in Ag Fund/MSF Foundation, but many people do not remember this name and make checks payable to the Missouri State Fair. In this case, the Business Office determines which account monies should be deposited into.

The Sheep Fund was set aside to help pay for a new show arena and pavilion to be erected north of the Sheep Pavilion. Interest in this project continues and the MSF feels these funds should be available for the purpose they were collected. When interest in this projects ends, the Sheep Fund will be used for repairs and maintenance of the Sheep Pavilion.

- C. The MSF concurs with the State Auditor's recommendation and will begin developing an operational agreement with the Foundation establishing and outlining each party's contribution and/or compensation.*
- D. The MSF has entered into a written depository agreement with Third National Bank for the Grandstand Escrow Account in April, 2005. The MSF Foundation has begun the process of entering into agreements for the three foundation accounts, which will include pledging of sufficient and acceptable collateral securities.*

AUDITOR'S COMMENT

- B.** The auditee's response does not change the fact that all fees and revenues established and collected by the state from events at the state fairgrounds are required by state law to be deposited into the State Fair Fees Fund, within the state treasury. We found no authority for the State Fair Commission to divert any such fees or revenues into the accounts of a not-for-profit corporation.

2. Ticket/Permit Sales Reconciliations and Accountability
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The MSF does not account for fairweek camping permits or ensure turnovers are made intact. Adequate documentation is not turned in by some vendors contracted with to sell

admission tickets. In addition, some MSF tickets/permits are not accounted for, nor are they issued in numerical order.

- A. The MSF Business Office does not ensure camping permits issued by the fairweek campground superintendent are accounted for or turned over to the business office intact. The MSF collected public camping revenues of approximately \$201,000, \$196,000, and \$168,000 for the years ended June 30, 2004, 2003, and 2002, respectively. The Business Office receives a daily receipt summary of campground receipts and copies of the permits issued for both the entrance and exit gates, as well as a numerical listing of permits issued at the entrance gate. The Business Office agrees the total receipts included in the deposit bag to the permit copies. However, the numerical listing of permits issued at the campground entrance gate does not list voided permits. Also, the voided permits are not turned over to the Business Office with the daily receipts. As a result, the office cannot account for the numerical sequence to ensure all permits can be accounted for and all potential receipts have been turned over.

This is of particular concern at the exit gate as permits are not turned into the Business Office in numerical order. Exit gate receipts are collected and turned over to the Business Office in random order based on the date the camper or visitor exits the campground. In addition, an exit gate log is prepared to support daily receipts, but this report is not turned over to the Business Office.

The Business Office should ensure the amounts remitted are complete and accurate. Accordingly, the Business Office should verify the numerical sequence of camping permits are accounted for by comparing amounts recorded as received on the permits to the records maintained by the campground superintendent.

- B. Admission tickets sold by certain retail businesses during the 2004 fair, totaling approximately \$18,600, were not reported to the MSF as required in their contract. As a result, the MSF cannot be sure they received all the revenues from these ticket sales.

The MSF contracted the responsibilities of selling admission tickets to various vendors. The contract terms required a report of admission tickets sold by the vendors to be submitted to the MSF. We attempted to obtain this information from one such vendor, but the vendor indicated that this information had been deleted from their computer system.

The MSF should require all vendors to remit the documentation to ensure all revenues have been received. The MSF should also monitor the activities conducted under its contracts to ensure important provisions have been met.

C. We noted the following concerns with accountability of permits and tickets:

- Unused 2004 campground permits from opened bundles were destroyed after the fair.
- Unused admission tickets maintained in the Grandstand Ticket Office could not be found after the 2003 fair. Also, unused parking permits (blue hangtags) maintained in the Revenue Office could not be found after the 2003 fair.

No documentation was maintained to account for the campground permits destroyed or the missing admission tickets and parking permits. In addition, our review of ticket log books and actual tickets turned back into the MSF after the fair noted that tickets are not issued in numerical order.

To ensure accountability over the revenues related to ticket and permit sales, the MSF should account for all tickets and permits, including any not used during the fair.

Conditions similar to parts A. and B. were also noted in our prior report.

WE RECOMMEND the MSF:

- A. Verify the amounts received from the campground to supporting documentation maintained by the campground superintendent, either directly or by reviewing verification procedures performed by the campground personnel.
- B. Require vendors selling admissions tickets for the fair to submit records supporting sales, and monitor all contracts for compliance with significant provisions.
- C. Account for all tickets and permits, including any not used.

AUDITEE'S RESPONSE

- A. *The MSF agrees with this recommendation and will begin updating the verification procedures to include a listing of all voided permits and have campground staff turn the voided permits over to the Business Office with the daily receipts. Also, the exit gate log will be turned over to the Business Office for review and verification.*
- B. *The MSF agrees with this recommendation and will amend contracts with vendors that have the responsibilities of selling admission tickets to realistic deadlines and expectations for documentation of admission tickets sold by the vendor. The MSF will monitor the activities conducted to ensure provisions have been met. This will be met with a cooperative effort between Marketing and Business Office staff.*

- C. *The MSF agrees to complete a log of tickets and permits issued with the numerical sequence noted and a spreadsheet of all admission tickets and permits counted and turned into the Business Office after each annual fair. This spreadsheet will also include a name and date of when tickets and permits are being destroyed after each annual fair for documentation to ensure accountability over the revenues.*

3. Depositing Procedures, Disbursements, and Other Cash Controls

Revenue Office collections are not deposited intact and cash on hand is not maintained at a constant amount, the composition of Business Office receipts is not reconciled to deposits, and checks are not restrictively endorsed immediately upon receipt. In addition, supporting documentation was not maintained for cash disbursements, the MSF incurred expenditures that were not a prudent use of public funds, and excess start-up cash from the cash machine was not re-deposited into the State Fair Fees Fund.

- A. Revenue Office collections are not deposited intact and the monies kept on hand for a cash fund are not maintained at a constant amount. During the 2004 fair, the Revenue Office collected approximately \$940,000.

The Revenue Office (which is in operation only during the fair) collects and deposits sales for gate admissions and parking. To begin operations, the Revenue Office was provided with \$20,500 in start-up cash for the 2004, 2003, 2002, and 2001 fairs. The amount was increased to \$45,000 during the 2005 fair. However, the start-up cash is not maintained at a constant amount because additional amounts are withheld from sales throughout the fair by the superintendent to establish a larger cash fund for the cashiers and to exchange currency as needed. For example, start-up cash of approximately \$140,500 was on hand as of August 18, 2004, the seventh day of the 2004 fair.

To adequately safeguard receipts and reduce the risk of loss, theft, or misuse of funds, all monies received should be deposited intact daily. The MSF should provide additional start-up funds, if necessary, and the cash fund should be constantly maintained at this amount.

A similar condition was also noted in our prior report.

- B. The method of payment (cash, check, and money order) is not indicated on the Business Office's fee spreadsheet and therefore, the composition of receipts is not reconciled to the composition of deposits. To ensure receipts are accounted for properly, the method of payment should be recorded on the spreadsheet and the composition of the fee spreadsheet should be reconciled to the composition of deposits.
- C. Checks and money orders received are not restrictively endorsed immediately upon receipt. Endorsement is applied when deposits are prepared. To reduce the

risk of loss or misuse of funds, checks and money orders should be restrictively endorsed immediately upon receipt.

- D. The MSF makes cash disbursements to various fair vendors and does not maintain adequate documentation of these disbursements. In addition, the cash disbursements are not specified in the vendors' contracts.

Although the MSF opened the Grandstand Account to make disbursements to various fair vendors immediately after the event, it has long been a procedure of the MSF to make cash payments to the carnival operator. In addition, cash payments are made to various entertainers when requested. During the 2004 fair, cash payments made to the carnival operator exceeded \$170,000. In addition, the MSF does not maintain documentation (ie. receipt slip) with the signature of the vendor's representative to prove the cash was received by the vendor. Also, these cash disbursements are not specifically allowed for in the carnival's or applicable entertainers' contracts. The MSF did begin maintaining documentation for cash disbursements to the carnival and various entertainers during the 2005 fair.

Disbursements of MSF funds should be made by check; however, if cash disbursements are necessary, they should be kept to a minimum and complete documentation of the transactions should be maintained. To ensure cash disbursements are properly accounted for, a signed receipt slip should be obtained from a representative of any vendor receiving cash payments. In addition, these cash disbursements should be supported by an applicable contract clause allowing for such payments.

- E. The MSF incurred unnecessary cell phone expenses as a result of having contracts with two vendors that ran concurrently in 2004. The MSF signed a new cell phone contract with the state's preferred vendor in January 2004; however, because the MSF was still under contract with their previous carrier, additional charges for unused or unnecessary cell phones totaling approximately \$1,800 were incurred through October 2004. While the MSF was trying to obtain a new contract with the state vendor, they should have waited until their old contract had fully expired before signing the new agreement. These expenses do not appear to be a prudent use of public funds.
- F. Excess start-up cash obtained for the MSF Money Madness Minutes (cash machine) was not deposited back into the State Fair Fees Fund. During the fair, start-up cash totaling \$400 is placed in the cash machine and selected contestants try to grab as much cash as they can within an allotted amount of time. Cash won by contestants totaled \$338, \$373, and \$317 during the 2004, 2003, and 2002 fairs, respectively. However, our cash count showed the remaining cash totaling \$172 was not re-deposited at the end of each fair, but maintained in three separate envelopes within the Marketing Department. While reconciliations were performed to verify the cash on hand (the original amount less the cash won by

the contestants), this cash should be immediately re-deposited into the State Fair Fees Fund at the end of each fair.

WE RECOMMEND the MSF:

- A. Ensure that daily collections of the Revenue Office are deposited intact. The MSF should provide additional start-up cash, if necessary, for the cash fund and ensure these monies are maintained at a constant amount.
- B. Record the method of payment on the fee spreadsheet and reconcile the composition of receipts to the composition of bank deposits.
- C. Restrictively endorse all checks and money orders immediately upon receipt.
- D. Limit the extent of disbursements made in cash. If cash disbursements are necessary, adequate documentation should be maintained to support the transaction. In addition, cash disbursements should be specified in vendor contracts when applicable.
- E. Ensure all expenditures are a prudent use of public funds.
- F. Re-deposit all start-up cash obtained from the State Fair Fees Fund back into this fund at the end of each fair.

AUDITEE'S RESPONSE

- A. *The MSF accepts this recommendation and starting with the 2006 Fair, the Revenue Office will request additional start-up cash. The additional start-up cash fund will allow the Revenue Office to maintain these monies at a constant amount.*
- B. *The MSF agrees with this recommendation and will add a column on the fee spreadsheet for all cash received.*
- C. *The MSF agrees with this recommendation and will endorse all checks and money orders upon receipt.*
- D. *The MSF agrees with this recommendation to prepare adequate documentation to support the cash transactions. Vendor contracts will be amended to include cash disbursements when it is necessary.*
- E. *The MSF began using Cingular cellular services when it was determined that the mandatory state contract should be used and that we could not realize a cost savings continuing service with Mid Missouri Cellular. At the time of beginning services with Cingular, all MSF phone numbers were going to change with installation of a new telephone system. To save the cost of reprinting business cards, etc., the MSF began service with Cingular to have the new cell phone numbers available. During the time*

when there were still contract obligations with Mid Missouri, the cell phones were used by maintenance and event staff for better accessibility.

- F. The MSF will ensure that all start-up cash obtained from the Business Office is turned back into the correct fund after each fair by maintaining a spreadsheet which will log in and out entries for start-up cash.*

4. Entries and Premiums

Superintendents charged with collecting late fees do not always issue receipt slips or maintain adequate documentation to support amounts received. Some late fees due to the MSF are not collected before an entrant is allowed to participate in an event. In addition, entrants that did not pay their late fees received premiums for placing in their respective event.

The MSF holds many shows, exhibitions, and contests throughout the fair involving livestock, horses, agricultural items, and other animals or articles of entry. Most of these events require each participant to pay an entry fee and the winners to receive premium payments. The MSF contracts with superintendents to conduct these events. The MSF collected entry and stall fees of approximately \$241,000, \$257,000, and \$259,000 and made premium payments of approximately \$668,000, \$654,000, and \$689,000 for the years ending June 30, 2004, 2003, and 2002, respectively. We reviewed the MSF's procedures for collecting entry and other fees and paying premiums and noted the following concerns.

- A. Superintendents charged with collecting late fees do not always issue receipt slips or maintain adequate documentation to support amounts received. In addition, the MSF does not always reconcile amounts turned over by the superintendents to their records.

Most event participants remit their entry fees directly to the MSF. However, in some cases, superintendents are responsible for collecting certain fees and remitting these fees to the MSF, usually after the event has been held. These fees include late or partial entry fees and fees for pins, stalls, or other items.

Discussions with MSF officials indicated all superintendents are issued receipt slips to record the payments received. However, some superintendents do not use these receipt slips. In addition, the MSF does not require the superintendents to remit this documentation for review with the corresponding monies. Business Office personnel indicated most superintendents remit little supporting documentation to the MSF along with their transmittal of fees. As a result, there is less assurance that fees reported and transmitted by event superintendents are complete and accurate.

To ensure that amounts collected by superintendents and remitted to the MSF for entry fees are valid and complete, the MSF should require the superintendents to maintain appropriate supporting documentation including prenumbered forms and submit this documentation to the MSF along with the fees. Additionally, the MSF should account for the completeness of the forms and compare the fee monies received from the superintendents to the amounts recorded on the documents.

A similar condition was also noted in our prior report.

- B. Some late fees due to the MSF are not collected before an entrant is allowed to participate in an event. In addition, entrants that did not pay their late fees received premiums for placing in their respective event.

There appears to be some confusion as to exactly what fees the superintendents are supposed to collect (ie. entry fees, pins, etc.). As a result, some superintendents may allow entrants to participate in an event in which they have late fees. We reviewed late fees charged to the beef cattle superintendent and the receipt slips used to record payments received and noted several late fees listed that were not collected. Some entrants were "no shows", but for others there was no documentation as to why their late fees were not collected. In addition, we compared the entrants for this event with late fees due to the MSF to a list of premium payments made for the same event and noted two individuals that received premiums even though they still owed the MSF money.

All late fees should be received from an entrant prior to their participation in an event and premiums should never be paid to entrants with unpaid late fees due the MSF. Accordingly, records maintained by each superintendent should be complete and accurate. In addition, entrants with late fees should be cross checked against the premium payment vouchers prior to their distribution.

WE RECOMMEND the MSF:

- A. Require the superintendents to maintain appropriate supporting documentation of fees received and remit the documentation to the MSF along with the fees for review.
- B. Ensure all late fees are collected. If amounts are not collected entrants should not be allowed to participate in an event or documentation should be maintained to indicate why an exception was made. The MSF should also cross check the premium payment vouchers, prior to their distribution, against the list of entrants with unpaid late fees.

AUDITEE'S RESPONSE

- A. *The MSF agrees to the Fiscal Officer discussing and stressing the importance of the requirement of superintendents to maintain appropriate documentation of fees received*

at the annual superintendent meeting and turning the documentation into the Business Office.

- B. The MSF agrees to continue to work with Information Technology staff with program design to ensure that premium payment vouchers are not paid to exhibitors if late fees are not paid.*

5. Tram Service

Tram service revenues cannot be reconciled to passengers that use the service. In addition, collections are not deposited intact and start-up cash is not maintained at a constant amount. During the 2001 through 2004 fairs, the MSF has averaged approximately \$12,000 in tram ride sales.

Tram service attendants do not account for the number of passengers riding the trams. They only collect the fee from passengers as they enter the tram. No ticket, receipt, or any other documentation is maintained to account for these passengers making it impossible to reconcile the monies collected to the turnovers made to the Business Office. In addition, collections were not deposited intact as the monies kept for cash on hand for use by each tram attendant were not maintained at a constant amount. The Tram Service is provided with \$1,040 in start-up cash for each fair. However, additional amounts were withheld from sales during the fair based on what the Assistant Tram Service Superintendent felt was needed for that particular day.

The MSF should ensure the amounts remitted are complete and accurate. Accordingly, the MSF should consider implementing a portable receipt dispenser or similar system to account for the passengers using the tram service. This would not only benefit the MSF by being able to verify the revenues collected for the tram service, but would also provide useful information on increases/decreases in tram usage throughout the fair. In addition, to adequately safeguard receipts and reduce the risk of loss, theft, or misuse of funds, all monies received should be deposited intact daily. The MSF should provide additional start-up funds, if necessary, and the cash funds should be constantly maintained at this amount.

WE RECOMMEND the MSF establish a system to account for the number of passengers riding the tram, reconciling the totals to daily collections. In addition, the MSF should ensure that daily collections of the Tram Service are deposited intact. The MSF should provide additional start-up cash, if necessary, for the cash fund and ensure these monies are maintained at a constant amount.

AUDITEE'S RESPONSE

The MSF agrees with the auditor's recommendation that the MSF should provide additional start-up cash and to see that the daily collections are deposited intact. However, the MSF still has concerns regarding establishing a system such as, selling and tearing tickets. The MSF

believes that this process would cause huge delays in serving our customers and could result in an increase in operational costs. The MSF sees the trams as a customer service to our fair goers and not as a revenue source. The MSF also receives a \$5,000 sponsorship which allows senior citizens to receive free tram rides.

HISTORY, ORGANIZATION, AND
STATISTICAL INFORMATION

MISSOURI STATE FAIR HISTORY, ORGANIZATION, AND STATISTICAL INFORMATION

The Missouri State Fair is responsible for promoting Missouri agriculture and creating understanding and education of the industry and its related fields. The fair is held annually in August on the state fairgrounds in Sedalia. The fair provides a showcase for livestock, agricultural products, commercial exhibits, and other displays. In addition, a number of entertainment events are held at the fair. The fairgrounds are also utilized throughout the year for various exhibits, sales, private functions, and entertainment. Through fiscal year 2002, the Missouri State Fair administered the Aid-to-Fairs Program which provided financial assistance to county and district fairs for youth exhibitors. However, the Aid-to-Fairs Program has not been funded by the legislature in the last two fiscal years.

The operation of the Missouri State Fair is financed from fees collected for admissions, parking, concessions, exhibitions, and other sources which are deposited to the State Fair Fees Fund, and annual appropriations from the state General Revenue Fund.

The Missouri State Fair was established in 1899 and became a program of the Department of Agriculture in 1933. Senate Bill 692, passed during the Second Regular Session of the 87th General Assembly, transferred control and supervision of the Missouri State Fair from the Department of Agriculture to a nine-member commission, effective September 1, 1995. The commission consists of the director of the Department of Agriculture and eight members appointed by the Governor. Of the eight appointed members, two are farmers, two are current or past presidents of county or regional fair boards, one is employed in agribusiness, and three are at-large members. Terms of the original eight members are one year for two members, two years for two members, three years for two members, and four years for two members. Their successors are to be appointed for terms of four years.

Members of the Missouri State Fair Commission as of October 2004 were:

<u>Name</u>	<u>Term Expires</u>
Jerry Divin, Chairman	December 29, 2007
Kent Blades, Vice Chairman	December 29, 2004
Peter Hofherr*	Not Applicable
Morris Brown	December 29, 2002**
Ken Keesaman	December 29, 2005
Jack Magruder	December 29, 2007
Elizabeth M. Schlueter	December 29, 2006
David Malmo	December 29, 2004**
Sue Rourk King	December 29, 2006

* Mr. Hofherr served as director of the Department of Agriculture until January 6, 2005, at which time Mr. Fred Ferrell was appointed.

** Mr. Brown continued to serve after his term expired until his replacement was appointment. Mr. Brown and Mr. Malmö were replaced by Barbara Hayden and Jerry King. Ms. Hayden was appointed January 20, 2005 and her term expires December 29, 2009. Mr. King was appointed February 9, 2005 and his term expires December 29, 2005.

The Director of the Missouri State Fair is appointed by the Commission to administer the Missouri State Fair. In January 1997, Gary Slater replaced Bill Arthaud as Director of the Missouri State Fair. In March 2001, Mel Willard was appointed interim Director, replacing Gary Slater. Mr. Willard was then formally appointed Director of the Missouri State Fair in August 2001.

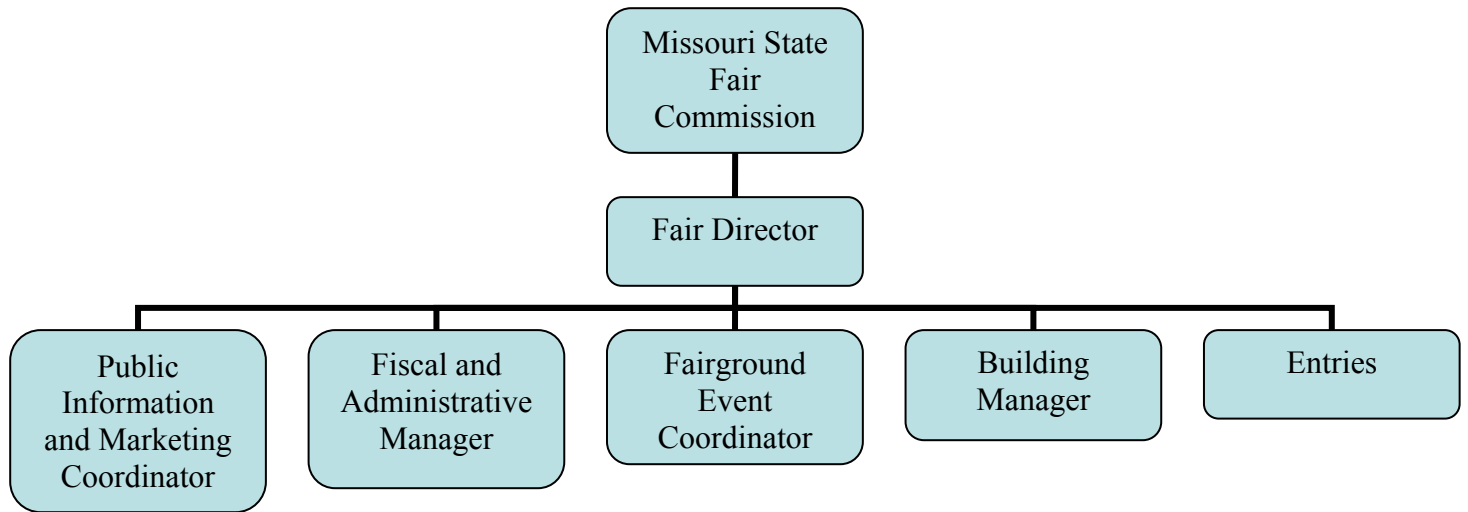
The Missouri State Fair employed approximately 20 full-time and 2 part-time employees as of October 2004.

The following chart shows the estimated state fair attendance since 1998:

<u>Year</u>	<u>Attendance</u>
1998	339,688
1999	343,207
2000	345,153
2001	335,986
2002	360,578
2003	340,922
2004	379,063

An organization chart follows:

MISSOURI STATE FAIR
ORGANIZATION CHART
JUNE 30, 2004



Appendix A

MISSOURI STATE FAIR
COMPARATIVE STATEMENT OF APPROPRIATIONS AND EXPENDITURES

	Year Ended June 30,								
	2004			2003			2002		
	Appropriation Authority	Expenditures	Lapsed Balances	Appropriation Authority	Expenditures	Lapsed Balances	Appropriation Authority	Expenditures	Lapsed Balances
GENERAL REVENUE FUND									
Personal Service	\$ 597,762	579,715	18,047	649,841	589,765	60,076	665,212	620,379	44,833
Expense and Equipment	0	0	0	56,833	15,532	41,301	56,833	32,582	24,251
For maintenance, repairs, replacements, and improvements to the Coliseum, Women's Building and swine pavilion	0	0	0	44,283	44,135	148	121,914	77,631	44,283 *
For removal of the race track and construction of parking facilities, entryways, plazas, roadways, ticket booths and multi-purpose REC Building	0	0	0	415,178	415,178	0	1,584,258	1,169,080	415,178 *
For a multi-use facility for the Department of Agriculture and the Adjutant General-Missouri National Guard	0	0	0	1,191,724	1,191,724	0	1,668,240	476,516	1,191,724 *
Aid-to-Fairs Premiums	0	0	0	0	0	0	194,795	138,925	55,870
Total General Revenue Fund	597,762	579,715	18,047	2,357,859	2,256,334	101,525	4,291,252	2,515,113	1,776,139
FACILITIES MAINTENANCE RESERVE FUND									
Management of Hazardous Materials	0	0	0	1	0	1	9,963	1,385	8,578 *
For maintenance, repairs, replacements, and improvements to the Coliseum, Women's Building and swine pavilion	0	0	0	13,132	0	13,132	262,799	249,667	13,132 *
Unprogrammed Requirements for Facilities	6	0	6 *	6,227	6,227	0	975	0	975 *
Statewide Roofing Management System	27,162	23,833	3,329 *	0	0	0	24	0	24 *
For maintenance, repairs, replacements, and improvements to the Agriculture, Commercial, and Varied Industries Buildings	1,450,456	1,170,264	280,192 *	538,739	538,738	1	1,989,195	0	1,989,195 *
Maintenance and Repair of Facilities	126,578	103,225	23,353 *	1	0	1	158,853	146,372	12,481 *
Total Facilities Maintenance Reserve Fund	1,604,202	1,297,322	306,880	558,100	544,965	13,135	2,421,809	397,424	2,024,385
BPB-SERIES A 2003 BOND PROCUREMENT-PROJECT FUND									
Maintenance and Repair of Facilities	89,742	10,883	78,859 *	0	0	0	0	0	0
Total Bpb-Ser A 2003 Bond Proc-Proj Fund	89,742	10,883	78,859	0	0	0	0	0	0
STATE FAIR FEES FUND									
Funding to Start Fair	75,000	24,540	50,460	75,000	24,540	50,460	75,000	24,540	50,460
Personal Service	1,019,942	842,108	177,834	874,743	772,536	102,207	874,743	652,179	222,564
Expense and Equipment	3,172,558	2,992,766	179,792	3,234,033	2,936,595	297,438	3,229,033	2,691,683	537,350
Total State Fair Fees Fund	4,267,500	3,859,414	408,086	4,183,776	3,733,671	450,105	4,178,776	3,368,402	810,374
STATE FAIR TRUST FUND									
Funding to Start Fair	10,000	3,140	6,860	10,000	2,165	7,835	10,000	2,150	7,850
Total State Fair Trust Fund	10,000	3,140	6,860	10,000	2,165	7,835	10,000	2,150	7,850
Total All Funds	\$ 6,569,206	5,750,474	818,732	7,109,735	6,537,135	572,600	10,901,837	6,283,089	4,618,748

Appendix A

MISSOURI STATE FAIR
COMPARATIVE STATEMENT OF APPROPRIATIONS AND EXPENDITURES

Note: The appropriations presented above are used to account for and control the fair's expenditures from amounts appropriated to the fair by the General Assembly. The fair administers transactions from the appropriations presented above. However, the State Treasurer, as fund custodian, and the Office of Administration provide administrative control over the fund resources within the authority prescribed by the General Assembly. This schedule does not represent all expenditures of the fair. Some expenditures relating to the fair are expended from accounts set up outside the state treasury, which are not subject to appropriation. Expenditures charged to these additional accounts are noted in Appendix C.

* Biennial appropriations set up in fiscal years 2004 and 2002 are re-appropriations to fiscal years 2005 and 2003, respectively. After the fiscal year-end processing has been completed, the unexpended fiscal year 2004 and 2002 appropriation balance for a biennial appropriation is established in fiscal year 2005 and 2003, respectively. Therefore, there is no lapsed balance for a biennial appropriation at the end of the first year (ie. 2004 and 2002).

The lapsed balances include the following withholdings made at the Governor's request:

	Year Ended June 30,		
	2004	2003	2002
Personal Service	\$ 17,935	59,597	44,752
Expense and Equipment	0	41,301	24,251
For maintenance, repairs, replacements, and improvements to the Coliseum, Women's Building and swine pavilion	0	13,278	0
Aid-to-Fairs Premiums	0	0	55,809
Total	\$ 17,935	114,176	124,812

Appendix B

MISSOURI STATE FAIR COMPARATIVE STATEMENT OF EXPENDITURES (FROM APPROPRIATIONS)

	Year Ended June 30,		
	2004	2003	2002
Salaries	\$ 634,642	627,720	598,737
Fair and Seasonal Personnel	787,181	734,581	673,821
Travel	104,403	100,902	91,423
Premiums	667,891	653,726	689,308
Other Event Costs	280,491	288,409	197,290
Advertising	157,310	169,378	175,730
Sound System	56,100	68,474	68,650
Other Contracted Services	254,842	247,426	244,053
Free Entertainment	246,324	250,128	225,118
Sales Tax	123,902	75,766	71,199
Utilities	443,014	399,410	338,388
Telephone	32,353	30,971	27,113
Printing	42,375	53,933	69,449
Postage & Shipping	41,477	59,399	41,520
Office Supplies	84,798	86,181	92,467
Inmate Labor	41,337	45,344	35,583
Equipment Purchases & Repair	160,803	159,089	152,035
Buildings & Grounds Supplies	133,275	123,468	115,991
Gasoline, Diesel Fuel & Oil	27,033	24,057	20,703
Capital Improvements *	1,304,152	2,187,651	2,085,191
Tents	46,027	67,536	47,355
Aid to Fairs	0	0	138,925
Other	80,744	83,586	83,040
Total Expenditures	\$ 5,750,474	6,537,135	6,283,089

* Expenditures from capital improvement project appropriations are handled by the Division of Facilities Management, Design and Construction.

Appendix C-1

MISSOURI STATE FAIR
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH BALANCES - ACCOUNTS
WHICH WITH THE MISSOURI STATE FAIR HAS A PROPRIETARY INTEREST
YEAR ENDED JUNE 30, 2004

	State Fair Fees Fund	State Fair Trust Fund	Grandstand Account	Foundation Account	Agricultural Youth Ag Account	Foundation (Sheep) Account	Totals
RECEIPTS							
Grandstand Events	\$ 363,004	0	855,919	0	0	0	1,218,923
Admissions & Parking	1,292,191	0	0	6,760	0	0	1,298,951
Entries & Stalls	241,934	0	0	0	0	0	241,934
Camping, Meals & Dorms	361,616	0	0	30,033	0	0	391,649
Concessions	689,335	0	0	0	0	0	689,335
Building & Grounds Rental	144,986	0	0	0	0	0	144,986
Sponsorships & Premiums	503,644	0	3,780	0	0	0	507,424
Sales Tax	122,614	0	0	0	0	0	122,614
Carnival	251,067	0	259,476	0	0	0	510,543
Donations	0	2,824	0	14,863	0	0	17,687
Sale of Champions & Ham Auction	0	0	0	9,813	82,395	0	92,208
Souvenir & Other Sales	75,393	0	0	79,660	117	0	155,170
Other	141,886	92	200	436	52	120	142,786
Total Receipts	4,187,670	2,916	1,119,375	141,565	82,564	120	5,534,210
DISBURSEMENTS							
Salaries	54,927	0	0	7,274	0	0	62,201
Fair & Seasonal Personnel	787,181	0	0	0	0	0	787,181
Fringe Benefits	99,499	0	0	0	0	0	99,499
Travel	104,403	0	0	0	0	0	104,403
Premiums	665,746	2,145	0	0	0	0	667,891
Grandstand & Other Event Costs	280,491	0	717,810	0	0	0	998,301
Advertising	155,023	0	0	275	0	0	155,298
Sound System	56,100	0	0	0	0	0	56,100
Carnival & Other Contracted Services	254,842	0	234,116	97,558	0	0	586,516
Free Entertainment	246,324	0	0	0	0	0	246,324
Sales Tax	123,902	0	0	0	0	0	123,902
Utilities	443,014	0	0	0	0	0	443,014
Telephone	32,353	0	0	0	0	0	32,353
Printing	40,609	0	0	0	0	0	40,609
Postage & Shipping	41,477	0	0	0	0	0	41,477
Office Supplies	83,803	995	0	0	0	0	84,798
Inmate Labor	41,337	0	0	0	0	0	41,337
Equipment Purchases & Repair	160,803	0	0	3,860	0	0	164,663
Buildings & Grounds Supplies	133,275	0	0	0	0	0	133,275
Gasoline, Diesel Fuel & Oil	27,033	0	0	0	0	0	27,033
Capital Improvements	0	0	0	23,084	0	0	23,084
Tents	46,027	0	0	0	0	0	46,027
Sale of Champions	0	0	0	0	71,769	0	71,769
Other	183,894	43	818	3,437	214	0	188,406
Total Expenditures	4,062,063	3,183	952,744	135,488	71,983	0	5,225,461
RECEIPTS OVER (UNDER)							
DISBURSEMENTS	125,607	(267)	166,631	6,077	10,581	120	308,749
CASH, JULY 1	264,102	4,658	1,047,845	82,211	25,100	23,823	1,447,739
CASH, JUNE 30	\$ 389,709	4,391	1,214,476	88,288	35,681	23,943	1,756,488

Appendix C-2

MISSOURI STATE FAIR
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH BALANCES - ACCOUNTS
WHICH WITH THE MISSOURI STATE FAIR HAS A PROPRIETARY INTEREST
YEAR ENDED JUNE 30, 2003

	State Fair Fees Fund	State Fair Trust Fund	Grandstand Account	Foundation Account	Agricultural Youth Ag Account	Foundation (Sheep) Account	Totals
RECEIPTS							
Grandstand Events	\$ 325,000	0	784,374	0	0	0	1,109,374
Admissions & Parking	1,191,672	0	0	0	0	0	1,191,672
Entries & Stalls	257,775	0	0	0	0	23,731	281,506
Camping, Meals & Dorms	325,800	0	0	22,298	0	0	348,098
Concessions	641,059	0	0	0	0	0	641,059
Building & Grounds Rental	103,757	0	0	0	0	0	103,757
Sponsorships & Premiums	536,355	0	3,125	0	0	0	539,480
Sales Tax	87,017	0	0	0	0	0	87,017
Carnival	250,000	0	209,340	0	0	0	459,340
Donations	0	3,406	0	122,229	0	0	125,635
Sale of Champions & Ham Auction	0	0	81,490	0	25,100	0	106,590
Souvenir & Other Sales	97,123	0	0	67,742	0	0	164,865
Other	152,285	43	48	20,439	0	92	172,907
Total Receipts	3,967,843	3,449	1,078,377	232,708	25,100	23,823	5,331,300
DISBURSEMENTS							
Salaries	50,634	0	0	0	0	0	50,634
Fair & Seasonal Personnel	721,902	0	0	0	0	0	721,902
Fringe Benefits	95,090	0	0	0	0	0	95,090
Travel	99,884	0	0	0	0	0	99,884
Premiums	651,561	2,165	0	0	0	0	653,726
Grandstand & Other Event Costs	288,409	0	859,387	0	0	0	1,147,796
Advertising	165,629	0	0	0	0	0	165,629
Sound System	68,474	0	0	0	0	0	68,474
Carnival & Other Contracted Services	246,159	0	185,270	60,031	0	0	491,460
Free Entertainment	250,128	0	0	0	0	0	250,128
Sales Tax	75,631	0	0	0	0	0	75,631
Utilities	391,423	0	0	0	0	0	391,423
Telephone	30,717	0	0	0	0	0	30,717
Printing	49,284	0	0	0	0	0	49,284
Postage & Shipping	59,365	0	0	0	0	0	59,365
Office Supplies	84,777	0	0	0	0	0	84,777
Inmate Labor	45,344	0	0	0	0	0	45,344
Equipment Purchases & Repair	157,464	0	0	0	0	0	157,464
Buildings & Grounds Supplies	121,707	0	0	0	0	0	121,707
Gasoline, Diesel Fuel & Oil	24,057	0	0	0	0	0	24,057
Capital Improvements	0	0	0	124,866	0	0	124,866
Tents	67,536	0	0	0	0	0	67,536
Sale of Champions	0	0	84,547	0	0	0	84,547
Other	121,945	34	1,264	25,070	0	0	148,313
Total Expenditures	3,867,120	2,199	1,130,468	209,967	0	0	5,209,754
RECEIPTS OVER (UNDER)							
DISBURSEMENTS	100,723	1,250	(52,091)	22,741	25,100	23,823	121,546
CASH, JULY 1	163,379	3,408	1,099,936	59,470	0	0	1,326,193
CASH, JUNE 30	\$ 264,102	4,658	1,047,845	82,211	25,100	23,823	1,447,739

Appendix C-3

MISSOURI STATE FAIR
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH BALANCES - ACCOUNTS
WHICH WITH THE MISSOURI STATE FAIR HAS A PROPRIETARY INTEREST
YEAR ENDED JUNE 30, 2002

	State Fair Fees Fund	State Fair Trust Fund	Grandstand Account	Foundation Account	Totals
RECEIPTS					
Grandstand Events	\$ 231,312	0	809,480	0	1,040,792
Admissions & Parking	1,034,918	0	0	0	1,034,918
Entries & Stalls	235,494	0	0	23,731	259,225
Camping, Meals & Dorms	341,032	0	0	0	341,032
Concessions	531,206	0	0	0	531,206
Building & Grounds Rental	123,501	0	0	0	123,501
Sponsorships & Premiums	436,066	0	4,435	0	440,501
Sales Tax	85,806	0	0	0	85,806
Carnival	289,349	0	46,190	0	335,539
Donations	0	4,126	0	212,600	216,726
Sale of Champions & Ham Auction	0	0	63,186	0	63,186
Souvenir & Other Sales	67,084	0	0	8,157	75,241
Other	146,464	0	3,630	783	150,877
Total Receipts	3,522,232	4,126	926,921	245,271	4,698,550
DISBURSEMENTS					
Salaries	10,244	0	0	0	10,244
Fair & Seasonal Personnel	641,935	0	0	0	641,935
Fringe Benefits	62,775	0	0	0	62,775
Travel	90,910	0	0	0	90,910
Premiums	687,203	2,105	0	0	689,308
Grandstand & Other Event Costs	197,290	0	614,744	0	812,034
Advertising	169,347	0	0	0	169,347
Sound System	68,650	0	0	0	68,650
Carnival & Other Contracted Services	240,687	0	55,558	0	296,245
Free Entertainment	225,118	0	200	0	225,318
Sales Tax	71,199	0	0	0	71,199
Utilities	320,546	0	0	0	320,546
Telephone	19,380	0	0	0	19,380
Printing	42,422	0	0	0	42,422
Postage & Shipping	41,154	0	0	0	41,154
Office Supplies	89,623	45	0	0	89,668
Inmate Labor	35,583	0	0	0	35,583
Equipment Purchases & Repair	150,843	0	0	0	150,843
Buildings & Grounds Supplies	115,170	0	0	0	115,170
Gasoline, Diesel Fuel & Oil	20,703	0	0	0	20,703
Capital Improvements	0	0	0	217,064	217,064
Tents	47,355	0	0	0	47,355
Sale of Champions	0	0	57,437	0	57,437
Other	111,374	31	348	3,361	115,114
Total Expenditures	3,459,511	2,181	728,287	220,425	4,410,404
RECEIPTS OVER (UNDER)					
DISBURSEMENTS	62,721	1,945	198,634	24,846	288,146
CASH, JULY 1	100,658	1,463	901,302	34,624	1,038,047
CASH, JUNE 30	\$ 163,379	3,408	1,099,936	59,470	1,326,193